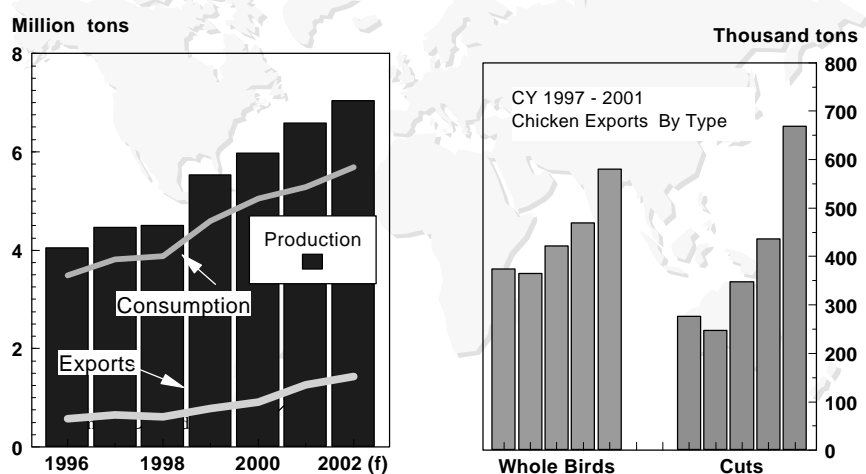


Brazil's Broiler Situation

	1996	1997	1998	1999	2000	2001(p)	2002(f)
(1,000 tons ready to cook equivalent)							
Production	4,052	4,461	4,498	5,526	5,980	6,580	7,040
Consumption	3,483	3,810	3,882	4,600	5,044	5,288	5,686
Exports	569	651	616	776	916	1,266	1,430

Brazilian Producers Increasing Their Focus on Exports, Both Whole Bird and Chicken Cut Markets



Brazilian producers are forecast to continue their efforts on expanding exports in 2002. The Brazilians, traditionally whole bird exporters, are now moving increasing quantities of chicken cuts. Cut exports surpassed whole bird levels in 2001. Brazil's broiler exports in 2002 are forecast to reach a record 1.4 million tons, a gain of nearly 13 percent over 2001. Brazil, facilitated by the devaluation of the Brazilian Real, significantly increased chicken cut exports to the EU, Russia, Cuba, and numerous regions in Africa, Asia, and the Middle East. Brazil is expected to increase its market activities in these regions in 2002. As a low-cost broiler producer, Brazil presents increased competition for U.S. exports. Brazilian production is forecast to increase by 7 percent to 7 million tons in 2002. Brazilian consumption is also forecast to increase by 7 percent in 2002 due to population growth and affordable prices. U.S. broiler exports to Brazil were valued at \$412,000 in 2001.